

# SOUTHERN ENVIRONMENTAL LAW CENTER

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March 12, 2019

*Via Electronic Filing*

The Honorable Jocelyn G. Boyd  
Chief Clerk/Administrator  
Public Service Commission of South Carolina  
101 Executive Center Drive  
Columbia, SC 29210

**RE: South Carolina Electric & Gas Company's 2019 Annual Update on Demand Side Management Programs and Petition for an Update to Rate Rider**  
(Docket No. 2019-57-E)

Dear Ms. Boyd:

This letter is to inform the Commission and parties that while the South Carolina Coastal Conservation League ("CCL") and Southern Alliance for Clean Energy ("SACE") have participated in the last eight annual South Carolina Electric & Gas Company ("SCE&G" or "the Company") demand-side management program and rider update proceedings, they do not plan to seek intervention in the above-referenced docket.

CCL and SACE are committed to the success of SCE&G's energy efficiency and demand response programs (together known as "demand-side management" or "DSM"). DSM offers numerous benefits to ratepayers. By reducing energy use and demand at both summer and winter peaks, cost-effective DSM defers or avoids the need for expensive new power plants, lowering total system costs to the benefit of all classes of customers. Efficiency programs targeted to low-income customers provide crucial relief to households that may struggle to pay their bills, while also improving health, safety and comfort. These attributes make a comprehensive, high-performing DSM portfolio essential for any well-run utility.

Yet over the past six years, SCE&G's DSM portfolio has shrunk and its energy savings, after dwindling and then rebounding, appear to have stalled.

In light of the small scale and limited performance of SCE&G's DSM programs over the past six years, a comprehensive review of the Company's DSM portfolio and rate rider mechanism is necessary. The Commission wisely provided an opportunity for

such a review in its order approving the current programs and mechanism: “SCE&G's DSM programs, as approved herein, shall continue for six years after the date of this Order and . . . after the six-year time period has elapsed, any party may request a review of the terms and conditions of the DSM rate rider mechanism and propose changes to the mechanism.” Order No. 2013-826 (November 26, 2013).

In accordance with Order No. 2013-826, CCL and SACE intend to request that the Commission review the terms and conditions of the SCE&G DSM rate rider mechanism, and to propose changes to the mechanism. In tandem with this effort, CCL and SACE will advocate for an expanded and improved suite of DSM programs. As the Company's application in this docket explains, SCE&G is conducting a DSM potential study to inform development of an updated DSM program portfolio. The Company estimates that its potential study will be completed, and portfolio recommendations developed, by the end of June 2019. CCL and SACE plan to engage with the Company and its other stakeholders through the Advisory Group to review the DSM potential study and advise the Company regarding its new DSM portfolio recommendations, with the aim of revitalizing SCE&G's undersized DSM portfolio and boosting its benefits to all ratepayers.

CCL and SACE appreciate the opportunity provided by the Commission to participate in the review of SCE&G's DSM portfolio and rate rider mechanism, and look forward to participating in that process.

Sincerely,  
s/J. Blanding Holman, IV  
J. Blanding Holman, IV  
(SC Bar No. 72260)  
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**STATE OF SOUTH CAROLINA  
BEFORE THE PUBLIC SERVICE COMMISSION  
DOCKET NOS. 2019-57-E**

In Re: South Carolina Electric & Gas	)	
Company's 2019 Annual Update on Demand	)	
Side Management Programs and Petition for	)	
an Update to Rate Rider	)	<b>CERTIFICATE OF SERVICE</b>
	)	
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I certify that the following persons have been served with a copy of the foregoing letter on behalf of the South Carolina Coastal Conservation League and Southern Alliance for Clean Energy for Docket No. 2019-57-E, by electronic mail, at the addresses set forth below:

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This the 12th day of March, 2019

s/ Emily Selden